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SUBJECT: NICARAGUA - VENEZUELA FRAMEWORK AGREEMENT

REF: A. MANAGUA 0646

- [B](#). MANAGUA 0644
- [C](#). MANAGUA 0643
- [D](#). MANAGUA 0642
- [E](#). MANAGUA 0641
- [F](#). MANAGUA 0645
- [G](#). MANAGUA 0640
- [H](#). MANAGUA 0639
- [I](#). MANAGUA 0637
- [J](#). MANAGUA 0638

[1](#). (SBU) Summary. As part of a series of Bolivarian Alternative agreements between Nicaraguan and Venezuela concluded on January 11, 2007, Nicaraguan and Venezuelan Ministers of Foreign Relations signed a Framework Agreement, setting forth general areas for cooperation. The agreement created a high level joint commission, housed in the foreign ministries of each country, to coordinate bilateral cooperation and economic relations. End Summary.

[2](#). (SBU) The Framework Agreement was one of a series of thirteen commitments with Venezuela negotiated by the Ortega government before it came to power on January 10, 2007. Nicaraguan Minister of Foreign Relations Samuel Santos and Venezuelan Minister of Foreign Relations Nicolas Maduro Moros signed the agreement on January 11, 2007. The substance of the agreement, along with the other commitments made that day, was kept from the public for weeks. This cable reports on an unsigned copy of the agreement. Refs A-E report on agricultural agreements and commitments signed on January 11. Refs F-H report on energy related agreements and commitments signed on January 11. Ref I reports on the health cooperation agreement, and Ref J reports on a letter of intent to establish aluminum products factories, also signed on January 11.

Preambular Language

[3](#). (SBU) Preambular language includes reference to Nicaragua and Venezuela's sustained history of friendship, common roots, and mutual respect between peoples. In the search for a fairer and more socially equitable new economic order, both governments state their desire to create industrial production schemes and commercial exchange based on the principles of solidarity, cooperation, complementarity, reciprocity, and sustainability. Both governments reaffirm their decision to move forward along the path of integrated economic development to transform inherited structural

problems, such as poverty, illiteracy, unemployment, and "social exclusion." They recognize that to achieve integrated development, it is vital for both countries to promote the organization and direct participation of their people, elevating the level of educational and productive training to progressively achieve sustainable social, cultural, and economic well-being.

Article 1: Bilateral Cooperation

14. (SBU) Both governments pledge to promote and intensify cooperation between the two countries.

Article 2: Areas for Cooperation

15. (SBU) Cooperation is envisioned in the following developmental areas:

- health;
- education;
- culture;
- energy;
- sovereign food security;
- industry;
- commercial exchange;
- rural development;
- promotion of public and private investment;
- agriculture and ranching;
- infrastructure;
- petrochemicals;
- information and communications technology;
- tourism;
- science and technology;
- environment; as well as
- other areas to which the parties may agree.

Article 3: Activities

16. (SBU) The parties will stimulate cooperative activities, some of which may take the following forms:

- information exchange;
- visitor exchange;
- promotion and participation in events, fairs, conferences, and seminars;
- promotion, expansion, and diversification of trade;
- exchange of information on the protection and sustainable use of natural resources;
- creation of partnerships and establishment of commercial representatives and branches;
- negotiate agreements for shared production to maximize production capacity, minimize costs, and raise the level of international competitiveness;
- construction, modernization, rehabilitation, expansion, and automation of factories and existing industries;
- marketing, consulting, and other services;
- feasibility studies;
- exchange of information and experience about professional training; as well as
- other activities upon which the parties may mutually agree.

Article 4: Complementary Agreements

17. (SBU) To achieve cooperation envisioned in this agreement, the parties may adopt complementary agreements, which should address the following:

- objectives to be realized;
- a work calendar;
- obligations of each of the parties:

- financing; and,
- participating institutions responsible for implementation.

Article 5: The Fight Against Hunger and Poverty

¶8. (SBU) Both parties will develop initiatives in the fight against poverty and hunger through concrete measures, as may be established in complementary agreements.

Article 6: Financing Mechanisms

¶9. (SBU) The parties will define ad hoc mechanisms of finance to execute activities, programs, and projects along the lines outlined in this framework of cooperation, taking into account the following considerations:

- concessional financing when it may benefit Nicaragua;
- creation of special non public funds through which financing and donor funds may be channeled under laws pertaining to the private sector; and,
- creation of specific mechanisms to verify the use of funds.

Article 7: High Level Joint Commission

¶10. (SBU) To achieve the objectives of this agreement, the parties agree to create a High Level Joint Commission under the coordination of the Foreign Ministers, with relevant officials from both parties meeting annually, alternatively in Caracas and Managua. Commission tasks will be to:

- review the development and the state of bilateral economic relations;
- consider proposals for future cooperation;
- elaborate proposals to improve economic cooperation, trade, environmental, industrial, and technological between public and private institutions, present recommendations; and,
- present recommendations on the application of this agreement.

Article 8-11: Implementation, Disputes, Revisions

¶11. (SBU) The parties will provide privileges and facilities necessary to implement this agreement, in accordance with internal legislation of each country. Disputes will be reconciled through diplomatic negotiation between the parties. Either party may request in writing the revision, amendment, or modification of the agreement through diplomatic communication. Any revision shall be in writing and constitute a part of this agreement. Such changes will enter into force through means set forth in Article 12. Any revision will not prejudice rights and obligations based on this agreement before the date of revision. Upon having entered into force, this agreement shall not affect the Friendship and Cooperation Agreement between Nicaragua and Venezuela signed on June 29, 1990 in Caracas.

Article 12: Entry Into Force, Duration

¶12. (SBU) This agreement enters into effect once both parties notify the other that fulfillment of internal formalities and legal requirements have been met. The agreement will remain in force for 5 years and is automatically renewable for 1 year, unless one of the parties notifies the other 6 months before expiration of its intention not to renew. At any time, either party may withdraw from the agreement upon 60-day notice. Termination will not affect ongoing programs and projects initiated under this agreement, unless the

parties so agree.
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